

Indirect Support Services

Analyst: Castro

Historical Summary

OPERATING BUDGET	FY 2007 Total App	FY 2007 Actual	FY 2008 Approp	FY 2009 Request	FY 2009 Gov Rec
BY FUND CATEGORY					
General	17,133,100	17,594,700	16,779,200	20,008,900	19,283,800
Dedicated	653,400	1,217,900	1,080,100	1,449,100	1,463,900
Federal	16,529,300	16,038,300	17,763,000	19,354,400	18,818,400
Total:	34,315,800	34,850,900	35,622,300	40,812,400	39,566,100
Percent Change:		1.6%	2.2%	14.6%	11.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	20,483,500	19,354,800	19,934,400	22,145,200	22,943,200
Operating Expenditures	13,696,600	14,911,800	15,060,600	16,092,200	15,774,400
Capital Outlay	135,700	584,300	627,300	2,575,000	848,500
Total:	34,315,800	34,850,900	35,622,300	40,812,400	39,566,100
Full-Time Positions (FTP)	318.98	324.48	320.98	323.48	323.48

Division Description

Indirect Support provides administrative functions for the Department of Health and Welfare. The Office of the Director provides central policy direction. Regional directors direct day-to-day activities throughout the state. The Office of Legal Services provides legal advice, monitoring and litigation services. The Division of Management Services manages the budget cash flow, controls the accounting and reporting process, performs internal reviews, manages physical assets, and processes all personnel actions. The Division of Information Systems plans and operates all data processing activities. Finally, the Division of Human Resource Services includes civil rights, workforce development, recruitment, process and system research, and employee relations.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2008 Original Appropriation	320.98	16,779,200	35,622,300	320.98	16,779,200	35,622,300
Reappropriation	0.00	305,400	305,400	0.00	305,400	305,400
8. Receipts Authority	0.00	0	350,000	0.00	0	0
9. Department Personnel Costs Transfer	0.00	1,145,500	1,145,500	0.00	1,145,500	1,145,500
FY 2008 Total Appropriation	320.98	18,230,100	37,423,200	320.98	18,230,100	37,073,200
Non-Cognizable Funds and Transfers	2.50	95,900	422,600	2.50	95,900	422,600
Expenditure Adjustments	0.00	(305,400)	(305,400)	0.00	(305,400)	(305,400)
FY 2008 Estimated Expenditures	323.48	18,020,600	37,540,400	323.48	18,020,600	37,190,400
Removal of One-Time Expenditures	0.00	(346,000)	(954,000)	0.00	(346,000)	(954,000)
FY 2009 Base	323.48	17,674,600	36,586,400	323.48	17,674,600	36,236,400
Benefit Costs	0.00	374,400	763,400	0.00	361,300	737,400
Inflationary Adjustments	0.00	67,300	131,500	0.00	1,800	4,000
Replacement Items	0.00	932,600	1,624,300	0.00	593,000	1,048,500
Statewide Cost Allocation	0.00	115,100	159,800	0.00	115,100	159,800
Change in Employee Compensation	0.00	107,600	206,000	0.00	538,000	1,030,000
FY 2009 Program Maintenance	323.48	19,271,600	39,471,400	323.48	19,283,800	39,216,100
1. DAG staff for Fraud and SURS	0.00	25,100	46,100	0.00	0	0
2. Treasure Valley Moves	0.00	712,200	1,294,900	0.00	0	0
3. Receipts Authority	0.00	0	0	0.00	0	350,000
FY 2009 Total	323.48	20,008,900	40,812,400	323.48	19,283,800	39,566,100
Change from Original Appropriation	2.50	3,229,700	5,190,100	2.50	2,504,600	3,943,800
% Change from Original Appropriation		19.2%	14.6%		14.9%	11.1%

Indirect Support Services

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2008 Original Appropriation	320.98	16,779,200	1,080,100	17,763,000	35,622,300

Reappropriation

This General Fund reappropriation of \$305,400 represents unspent monies that were budgeted for reversion after the end of the fiscal year. Spending authority is removed in an FY 2008 expenditure adjustment.

Agency Request	0.00	305,400	0	0	305,400
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>305,400</i>	<i>0</i>	<i>0</i>	<i>305,400</i>

8. Receipts Authority

This request is for \$350,000 in additional receipts spending authority. The agency states the receipts are requested for costs associated with facilities, training, motorpool and copies. The department also states that with the change in DHR the Human Resources Division has taken over a portion of the training for other state agencies. The other state agencies reimburse DHW for the costs and this reimbursement has increased the need for receipts spending authority.

[Ongoing]

Agency Request	0.00	0	350,000	0	350,000
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The Governor recommends this adjustment be made in FY 2009.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
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9. Department Personnel Costs Transfer

This request is to shift General Fund personnel funding from the following programs:

Physical Health: \$379,200

Labs: \$128,600

Self Reliance Operations: \$420,300

Child Welfare: \$982,700

TOTAL: \$1,910,800

The funding would be received by the following programs in personnel costs:

Childrens Mental Health: \$161,700

Community Mental Health: \$220,700

Community Developmental Disabilities: \$37,300

Indirect Support Services: \$1,145,500

Medicaid Administration & Medical Mgmt: \$276,400

State Hospital North: \$69,200

As of the end of the 1st quarter the department has projected the Child Welfare's transfer out will be reduced to \$907,400 and that Community Mental Health will only need \$145,400.

[Ongoing]

Agency Request	0.00	1,145,500	0	0	1,145,500
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<i>Governor's Recommendation</i>	<i>0.00</i>	<i>1,145,500</i>	<i>0</i>	<i>0</i>	<i>1,145,500</i>
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FY 2008 Total Appropriation					
Agency Request	320.98	18,230,100	1,430,100	17,763,000	37,423,200
<i>Governor's Recommendation</i>	<i>320.98</i>	<i>18,230,100</i>	<i>1,080,100</i>	<i>17,763,000</i>	<i>37,073,200</i>

Non-Cognizable Funds and Transfers

Reflects additional federal funding in the amount of \$326,700 for increase in federal match rates. Transfers in 0.50 FTP and \$35,800 in General Fund monies. Transfers in 2.0 FTP and \$60,100 in General Fund monies.

Agency Request	2.50	95,900	0	326,700	422,600
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<i>Governor's Recommendation</i>	<i>2.50</i>	<i>95,900</i>	<i>0</i>	<i>326,700</i>	<i>422,600</i>
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Expenditure Adjustments

Agency Request	0.00	(305,400)	0	0	(305,400)
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<i>Governor's Recommendation</i>	<i>0.00</i>	<i>(305,400)</i>	<i>0</i>	<i>0</i>	<i>(305,400)</i>
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FY 2008 Estimated Expenditures					
Agency Request	323.48	18,020,600	1,430,100	18,089,700	37,540,400
<i>Governor's Recommendation</i>	<i>323.48</i>	<i>18,020,600</i>	<i>1,080,100</i>	<i>18,089,700</i>	<i>37,190,400</i>

Indirect Support Services

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Removal of One-Time Expenditures					
Remove funding provided for one-time items.					
Agency Request	0.00	(346,000)	0	(608,000)	(954,000)
Governor's Recommendation	0.00	(346,000)	0	(608,000)	(954,000)
FY 2009 Base					
Agency Request	323.48	17,674,600	1,430,100	17,481,700	36,586,400
Governor's Recommendation	323.48	17,674,600	1,080,100	17,481,700	36,236,400
Benefit Costs					
Reflects \$2,075 per position or a 29% increase in employer-paid health insurance premiums from \$7,125 to \$9,200 per year. This increase is artificially inflated since the rates have been frozen for the last two years, with increases being covered from reserves.					
Agency Request	0.00	374,400	15,200	373,800	763,400
<i>The Governor recommends funding the employer increase in health insurance, and does not remove the funding for their PERSI rate increase that was included in the request. Recently, the PERSI Board voted not to increase the contribution rate for the upcoming fiscal year. In addition, for this agency the Governor recommends that the Division of Human Resources (DHR) fee be reduced by 35% for classified positions, from 0.615% of gross salary to 0.4%, because it has been granted delegated authority by DHR.</i>					
Governor's Recommendation	0.00	361,300	14,800	361,300	737,400
Inflationary Adjustments					
This inflationary adjustment is arrived at by subtracting one-time funding and statewide allocation plan costs from the base and calculating a customized increase for all remaining operating costs. The general inflationary request of \$127,500 reflects a 1.35% increase. The contractual inflationary increase of \$4,000 reflects a 0.0026% increase in rental contracts.					
Agency Request	0.00	67,300	0	64,200	131,500
<i>Inflationary increases are provided only for contractual obligations such as leased space costs. Other inflationary requests are not recommended.</i>					
Governor's Recommendation	0.00	1,800	0	2,200	4,000
Replacement Items					
Capital outlay request include \$250,000 for 15 vehicles at an average cost of \$16,700 per vehicle. \$230,000 for replacing 490 existing desktop computers for the entire agency at a cost of \$470 per computer. \$95,600 for replacing 100 laptop computers at an average cost of \$956 per laptop. \$120,000 for replacing 100 higher capacity laptops at an average cost of \$1,200 per laptop. \$27,200 is requested for replacement of 16 desks and \$9,600 is requested for replacing 32 office chairs. \$479,000 is requested for replacing computer equipment. \$200,000 is requested for Alteration and Repairs requests under \$30,000; and \$211,500 is requested for replacing the phone system at the central office.					
ANALYST COMMENT: Last year the Legislature funded \$415,000 for phone replacement costs in this budget.					
Agency Request	0.00	932,600	0	691,700	1,624,300
<i>The Governor recommends replacing 7 vehicles. The Governor recommends \$36,000 in additional funding for a statewide vehicle fleet management initiative to convert as many vehicles as possible to hybrid or other fuel efficient/low emission vehicles. These additional funds may only be used to implement the Governor's Fossil Fuel/Greenhouse Gases Initiative. Any unspent funds appropriated for this purpose will be reverted at year-end, regardless of funding source. The recommendation also includes replacing 235 desktop computers; \$258,300 to replace office furniture; \$200,000 for alterations & repairs projects; and \$211,500 for phone system replacement.</i>					
Governor's Recommendation	0.00	593,000	0	455,500	1,048,500
Statewide Cost Allocation					
This request reflects changes to the statewide cost allocation fees. The following is a breakdown of the changes: a \$68,300 reduction in Attorney General fees; a \$6,900 increase in risk management fees; a \$260,000 increase in State Controller fees; and a \$38,800 decrease in State Treasurer fees.					
Agency Request	0.00	115,100	0	44,700	159,800
Governor's Recommendation	0.00	115,100	0	44,700	159,800

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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Change in Employee Compensation

Agencies were instructed to input a CEC based on a 1% calculator.

Agency Request	0.00	107,600	3,800	94,600	206,000
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The Governor recommends a compensation increase of 5% to be distributed based on merit.

Governor's Recommendation	0.00	538,000	19,000	473,000	1,030,000
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FY 2009 Program Maintenance

Agency Request	323.48	19,271,600	1,449,100	18,750,700	39,471,400
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Governor's Recommendation	323.48	19,283,800	1,113,900	18,818,400	39,216,100
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1. DAG staff for Fraud and SURS

The Bureau of Audits and Investigations is asking for \$36,800 in operating expenditures and \$9,300 in capital outlay funding to cover the costs associated with supporting two Deputy Attorney Generals who will assist with resolution of fraud cases involving welfare and Medicaid payments. The request for salaries is reflected in the Attorney General's budget.

ANALYST COMMENT: The capital outlay funding is mistakenly requested on-going.

[Ongoing]

Agency Request	0.00	25,100	0	21,000	46,100
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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2. Treasure Valley Moves

The department is requesting \$1,294,900 in one-time funding to move the Treasure Valley Health & Welfare offices in Regions 3 and 4 to different locations. The request is to create four smaller offices in Ada County; add an additional service office in southeast Nampa; and relocate to a smaller service office in Caldwell. The request is broken out as follows: \$153,500 for moving expenses; \$336,700 for phone systems; \$804,700 for cubicles.

[One-time]

Agency Request	0.00	712,200	0	582,700	1,294,900
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Not recommended by the Governor.

Governor's Recommendation	0.00	0	0	0	0
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3. Receipts Authority

Agency Request	0.00	0	0	0	0
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Governor's Recommendation	0.00	0	350,000	0	350,000
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FY 2009 Total

Agency Request	323.48	20,008,900	1,449,100	19,354,400	40,812,400
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Governor's Recommendation	323.48	19,283,800	1,463,900	18,818,400	39,566,100
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Agency Request

Change from Original App	2.50	3,229,700	369,000	1,591,400	5,190,100
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% Change from Original App	0.8%	19.2%	34.2%	9.0%	14.6%
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Governor's Recommendation

Change from Original App	2.50	2,504,600	383,800	1,055,400	3,943,800
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% Change from Original App	0.8%	14.9%	35.5%	5.9%	11.1%
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